#### **REMARKS**

Claims 1-10 have been examined, with all claims objected to because of informalities and also rejected based on prior art.

## Priority

The Examiner requests Applicant to file a claim for priority. Since this application is a national stage filing of a PCT application, such a claim in this application is not required. As evidence, Applicant submits herewith a copy of PCT form IB304, which is the Notice of Recordation of Priority Document, proving that priority was claimed in the PCT application.

# Claim Objections

Claims 1-10 have been objected to because the word "it" in "characterized in that it comprises ..." is not clear. Also, the Examiner does not seem to approve of the external references in parenthesis. Applicant's amendments to the claims are believed to overcome these objections.

#### Claim Rejections - 35 USC § 101

Claims 1-7 have been rejected under 35 USC § 101 as being directed to nonstatutory subject matter. More specifically, it is the Examiner's position that claims 1-7 have no connection to the technological arts because they "could be performed manually by a person physically composing, compiling a list and releasing the information to recipients." Further in view of State Street Bank, such a rejection cannot be maintained where the process is novel and provides a useful, concrete and tangible result. As noted in Musco Corp. v. Qualite, Inc., 41 U.S.P.Q.2d 1954, 1961 (Fed. Cir. 1997) the "existence of mental steps in the claims or specifications of a patent do not, in and of themselves, invalidate the patent. But where, as here, the claimed subject matter ... is composed solely of mental steps, at the very least, some aspect of these mental steps must be non-obvious, and the specification must describe this same aspect so as to enable the skilled artisan to practice the invention." Thus, at most, "mental steps" is a basis for a rejection under section 102, 103 or 112, not section 101.

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Nevertheless, in response, Applicant has amended the claims such that the "network" is a "computer or cellular network." Withdrawal of this rejection is therefore respectfully requested.

## Claim Rejections 35 USC § 102

Claims 1-6 and 8-10 have been rejected under 35 USC § 102(b) as being anticipated by Goldhaber et al. (U.S. Patent No. 5,794,210).

The present invention is directed to an apparatus and method for distributing information or services through a computer or cellular network. A piece of information or service to be distributed through the network is composed, and a list of intended recipients is compiled. A preliminary order for crediting accounts associated with the intended recipients is transmitted through the network. The piece of information or service is released so that the piece of information or service becomes accessible to the recipients appearing on the list. As a response to an indication of a certain recipient having accessed the piece of information or service, an account associated with said certain recipient is credited.

Goldhaber is directed to a system which provides for the immediate payment to users for paying attention to an advertisement distributed over a computer network. Orthogonal Sponsorship, allows advertisers to detach their messages from program content and explicitly target their audience. A special icon displayed on a computer screen may represent compensation and allow users to choose whether they will view an ad and receive associated compensation. Targeting users may be provided by reference to a data base of digitally stored demographic profiles of potential users. Information can be routed to users based on demographics.

Goldhaber does not teach or suggest transmitting a preliminary order for crediting accounts associated with the intended recipients, as required by the claimed invention. The preliminary nature of the order means that the actual crediting is not yet accomplished, because there is no evidence about the intended recipients actually receiving the information or service to be transmitted. Transmitting a preliminary crediting order before transmitting the information or

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service to the subscriber terminals is advantageous in that it reduces the service provider's chance for cheating. The claims are patentable over Goldhaber for at least this reason.

Newly added claims dependent claims 11 and 12 recite that the preliminary order for crediting accounts associated with the intended recipients includes the piece of information or service. Support for these claims may be found on page 9, lines 30-36, of the specification. Claims 11-12 are patentable over Goldhaber at least by virtue of their dependence on claims 1 and 8, respectively.

#### Claim Rejection 35 USC § 103

Claim 7 has been rejected under 35 USC § 103(a) as being unpatentable over Goldhaber. Applicant has placed claim 7 in independent form, and responds as follows.

Claim 7 recites that the step of crediting an account associated with the certain recipient comprises the substeps of defining the time taken for the indication to be received, and crediting the account by an amount which is inversely proportional to the time.

Contrary to the Examiner's position explained on pages 10-11 of the Office Action, Goldhaber's disclosure of coupons does not make obvious the claimed feature of crediting the account by an amount which is inversely proportional to the time. First of all, Goldhaber does not even suggest that its coupons are time-sensitive. And even assuming that Goldhauer were to suggest that the coupons were time-sensitive, it would not have been obvious to one of ordinary skill to take such an leap in logic to arrive at crediting the account by an amount which is inversely proportional to the time. Thus claim 7 is patentable over Goldhauer for at least this reason.

Newly added claim 13 recites that the step of crediting an account associated with the certain recipient comprises the substeps of ranking the order in which the certain recipient provides the reception indication relative to other of the intended recipients, and crediting the account associated with the certain recipient based on the order ranking. Support for this claim may be found on page 14, lines 25-29, of the specification.

In view of the above amendment, Applicant believes the pending application is in condition for allowance.

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Respectfully submitted,

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